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May 5, 2017

Donna Jerry Green Mountain Care Board 3rd Floor City Center Montpelier, Vermont 05620 - 3601

Re: Letter of Intent, Construction of Assisted Living Facility

Dear Ms. Jerry,

This letter is to provide notice of intent as pursuant to 18 V.S.A. 9440 (c) (2). Gifford Retirement Community intends to construct an Assisted Living Facility on its Randolph Center Morgan Orchards property. We understand this letter of intent is a preliminary process by which the applicant gains approval of the general project concepts, including need, in order to conduct a detailed planning process. If the conceptual plan requires a CON, a formal application will be submitted, addressing building design, cost and schedule.

The Project:

The aim of Gifford Medical Center, through Gifford Retirement Community is to meet the evolving needs of our senior community. The fundamental goal is to provide Vermonters with three levels of senior living; Independent, Assisted, and Skilled nursing. We are currently operating a newly renovated, 5 star Skilled Nursing Home Facility and have recently started the construction of our Independent Living Facility. Through these endeavors we recognize our aging population also requires a mid-level type of acute care. This Assisted Living Facility fulfills the core plan of our retirement community. We intend to construct a 20-25 private/semi-private bed structure to better meet the needs of an assisted living population.

The previously constructed nursing home was purposely over built in square footage to support the services of this adjacent/attached facility. The mechanical, electrical, materials management, laundry and commercial kitchen within the nursing home were sized to accommodate this assisted living facility.

The Need:

The need to execute an assisted living facility can be demonstrated by the aging community and long waiting list at our current nursing home. We have 159 applicants at varying levels of need, 27 of which are either living at home, independent living facility or other enhanced residential care. Most of these applicants are not quite ready for skilled nursing home placement, but do not have many options

within the region. The need for an intermediate level of care between Independent Living and Skilled Nursing is not currently being served.

Area Served:

The area served by this project will be the entire state of Vermont.

The anticipated Project Cost:

We anticipate that this project will require a total capital expenditure in excess of \$6,000,000.

I believe that this letter of intent satisfies the requirements for an initial project proposal. If you have any questions or require further information please let me know.

Sincerely,

Doug Pfohl

Gifford Medical Center – Director of Facilities

PO Box 2000

Randolph VT 05060

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